"(B) another academic assessment selected by the State which meets the criteria of section 7101(b)(1)(B)(ii) of this Act;

"(3) the State educational agency shall work with other agencies, including educational service agencies or other local consortia, and institutions to provide technical assistance to local educational agencies and schools to carry out the State educational agency's responsibilities under this part, including technical assistance in providing professional development under section 1119A and technical assistance under section 1117; and

"(4)(A) where educational service agencies exist, the State educational agency shall consider providing professional development and technical assistance through such agencies; and

"(B) where educational service agencies do not exist, the State educational agency shall consider providing professional development and technical assistance through other cooperative agreements such as through a consortium of local educational agencies;

"(5) the State educational agency shall notify local educational agencies and the public of the content and student academic achievement standards and academic assessments developed under this section, and of the authority to operate schoolwide programs, and will fulfill the State educational agency's responsibilities regarding local educational agency improvement and school improvement under section 1116, including such corrective actions as are necessary;

(6) the State educational agency shall provide the least restrictive and burdensome regulations for local educational agencies and individual schools participating in a program as-

sisted under this part;

'(7) the State educational agency shall inform the Secretary and the public of how Federal laws, if at all, hinder the ability of States to hold local educational agencies and schools accountable for student academic performance;

(8) the State educational agency will encourage schools to consolidate funds from other Federal, State, and local sources for schoolwide reform in schoolwide programs under section 1114;

(9) the State educational agency shall modify or eliminate State fiscal and accounting barriers so that schools can easily consolidate funds from other Federal, State, and local sources for schoolwide programs under section 1114:

"(10) the State educational agency has involved the committee of practitioners established under section 1603(b) in developing the plan and monitoring its implementation;

'(11) the State educational agency shall inform local educational agencies of the local educational agency's authority to transfer funds under title VII, to obtain waivers under title VIII and, if the State is an Ed-Flex Partnership State, to obtain waivers under the Education Flexibility Partnership Act of 1999 (20 U.S.C. 5891a et sea.); and

'(12) the State educational agency shall encourage local educational agencies and individual schools participating in a program assisted under this part to offer family literacy services (using funds under this part), if the agency or school determines that a substantial number of students served under this part by the agency or school have parents who do not have a high school diploma or its recognized equivalent or who have low levels of literacy.

'(d) PEER REVIEW AND SECRETARIAL AP-PROVAL.—The Secretary shall—

'(1) establish a peer review process to assist in the review of State plans;

'(2) approve a State plan within 120 days of its submission unless the Secretary determines that the plan does not meet the requirements of this section:

(3) if the Secretary determines that the State plan does not meet the requirements of subsection (a), (b), or (c), immediately notify the State of such determination and the reasons for such determination;

"(4) not decline to approve a State's plan

"(A) offering the State an opportunity to re-

vise its plan;

"(B) providing technical assistance in order to assist the State to meet the requirements under subsections (a), (b), and (c); and

"(C) providing a hearing; and

'(5) have the authority to disapprove a State plan for not meeting the requirements of this part, but shall not have the authority to require a State, as a condition of approval of the State plan, to include in, or delete from, such plan 1 $or \ more \ specific \ elements \ of \ the \ State's \ academic$ content standards or to use specific academic assessment instruments or items.

"(e) Duration of the Plan.

'(1) IN GENERAL.—Each State plan shall— "(A) be submitted for the first year for which this part is in effect after the date of the enactment of the No Child Left Behind Act of 2001;

'(B) remain in effect for the duration of the State's participation under this part; and

"(C) be periodically reviewed and revised by the State, as necessary, to reflect changes in the State's strategies and programs under this part.

(2) Additional information—If the State makes significant changes in its plan, such as the adoption of new or revised State academic content standards and State student achievement standards, new academic assessments, or a new definition of adequate yearly progress, the State shall submit such information to the Secretary

"(f) LIMITATION ON CONDITIONS.—Officers and employees of the Federal Government are prohibited from mandating, directing, or controlling a State, local educational agency, or school's specific instructional content or student academic achievement standards and academic assessments, curriculum, or program of instruction, as a condition of eligibility to receive funds under this part.

"(g) PENALTIES .-

"(1) FAILURE TO MEET DEADLINES ENACTED IN

"(A) IN GENERAL.—If a State fails to meet the deadlines established by the Improving America's Schools Act of 1994 (or under any waiver granted by the Secretary or under any compliance agreement with the Secretary) for demonstrating that it has in place challenging academic content standards and student achievement standards, and a system for measuring and monitoring adequate yearly progress, the Secretary shall withhold 25 percent of the funds that would otherwise be available for State administration and activities in each year until the Secretary determines that the State meets those requirements:

"(B) NO EXTENSION.—The Secretary shall not grant any additional waivers of, or enter into any additional compliance agreements to extend, the deadlines described in subparagraph (A) for any State.

"(2) Failure to meet requirements en-ACTED IN 2001.—If a State fails to meet any of the requirements of this section, other than the requirements described in paragraph (1), the Secretary may withhold funds for State administration until the Secretary determines that the State has fulfilled those requirements.

'(h) REPORTS .-

"(1) ANNUAL STATE REPORT CARD.-

"(A) IN GENERAL.—Not later than the beginning of the 2003-2004 school year, a State that receives assistance under this Act shall prepare and disseminate an annual State report card.

'(B) IMPLEMENTATION.—The State report card shall be-

"(i) concise; and

"(ii) presented in a format and manner that parents can understand, and which, to the extent practicable, shall be in a language the parents can understand.

(C) PUBLIC DISSEMINATION.—The State shall widely disseminate the information described in subparagraph (D) to all schools and local educational agencies in the State and make the information broadly available through public means, such as posting on the Internet, distribution to the media, and distribution through public agencies.

"(D) REQUIRED INFORMATION.—The State shall include in its annual State report card-

'(i) information, in the aggregate, on student achievement at each proficiency level on the State academic assessments described in subsection (b)(4)(F) (disaggregated by race, ethnicity, gender, disability status, migrant status, English proficiency, and status as economically disadvantaged, except that such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal individually identifiable information about an individual student);

'(ii) the percentage of students not tested (disaggregated by the same categories and subject to the same exception described in clause (i));
"(iii) the percentage of students who graduate

from high school within 4 years of starting high school:

(iv) the percentage of students who take and complete advanced placement courses as compared to the population of the students eligible to take such courses, and the rate of passing of advanced placement tests;

(v) the professional qualifications of teachers in the aggregate, including the percentage of teachers teaching with emergency or provisional qualifications, and the percentage of class sections not taught by fully qualified teachers; and

"(vi) such other information (such as dropout and school attendance rates; and average class size by grade level) as the State believes will best provide parents, students, and other members of the public with information on the progress of each of the State's public schools.

'(2) Content of local educational agency REPORT CARDS.

"(A) MINIMUM REQUIREMENTS.—The State shall ensure that each local educational agency collects appropriate data and includes in its annual report for each of its schools, at a

minimum-'(i) the information described in paragraph (1)(D) for each local educational agency and school: and

'(ii)(I) in the case of a local educational agency-

'(aa) the number and percentage of schools identified for school improvement and how long they have been so identified, including schools identified under section 1116(c) of this Act; and

'(bb) information that shows how students in its schools perform on the statewide academic assessment compared to students in the State as a whole; and

'(II) in the case of a school-

"(aa) whether it has been identified for school improvement; and

(bb) information that shows how its students performed on the statewide academic assessment compared to students in the local educational agency and the State as a whole.

'(B) OTHER INFORMATION.—A local educational agency may include in its annual reports any other appropriate information whether or not such information is included in the annual State report.

(C) PUBLIC DISSEMINATION.—The local educational agency shall, not later than the beginning of the 2003-2004 school year, publicly disseminate the information described in this paragraph to all schools in the district and to all parents of students attending those schools (to the extent practicable, in a language they can understand), and make the information broadly available through public means, such as posting on the Internet, distribution to the media, and distribution through public agencies.

(3) PRE-EXISTING REPORT CARDS.—A State or local educational agency that was providing public report cards on the performance of students, schools, local educational agencies, or the